

SHOP DIRECT ENROLLMENT PROGRAM

Maryland Shop Direct Enrollment Policy & Procedure

Policy

Small employers who are eligible to purchase a SHOP plan can purchase a Maryland Health Benefit Exchange certified Qualified Health Plan (QHP) and/or Qualified Dental Plan (QDP) through a SHOP-authorized producer beginning April 1, 2014 and ending December 31, 2014. Eligible employers who purchase a SHOP plan through the direct enrollment process may access tax credits afforded to them under the Affordable Care Act (ACA).

Steps (High Level):

- a. Plan information is requested on behalf of an employer by a SHOP-authorized producer
- b. Maryland Health Connection SHOP Employer Application is completed and submitted to MHC to determine group eligibility (can happen simultaneously with steps below)
- c. The employer selects a plan or plans to offer to employees and informs employees about their options
- d. Employees and dependents enroll in the plan of their choice
- e. The employer makes their initial payment to the carrier and coverage begins
- f. Carriers submit to MHC a monthly audit file of those employees and dependents who are enrolled in their SHOP-certified plans

Procedure

- Step 1:** Employer requests information about SHOP from a SHOP-authorized producer or a SHOP-authorized producer contacts an employer about plans available in Maryland's small group market, including SHOP-certified QHPs and QDPs.
- Step 2:** The carrier identifies to the SHOP-authorized producer which plans have been certified by MHBE as QHPs for sale on the SHOP exchange.
- Step 3:** The employer completes the MHC SHOP Employer Paper Application by himself or with the assistance of a SHOP-authorized producer. Using the information on this application, the SHOP-authorized producer can complete an initial screening to determine if the group is likely to be eligible to purchase a SHOP plan based on the number of full time equivalent employees (FTEs), location of the business, and whether or not the employer will offer coverage to all full-time employees.

Step 4: When the MHC SHOP Employer Paper Application is complete, the employer or SHOP-authorized producer sends the application to MHC for a SHOP eligibility determination.

Step 3a: If the employer is determined to be eligible to participate in the SHOP Exchange, Maryland Health Connection will notify the employer and also provide general information for an expanded employer small business health care tax credit for 2014, including information about IRS Forms 8941 and 990-T.

Step 3b: If the employer is determined to be ineligible to participate in the SHOP Exchange, Maryland Health Connection will notify the employer and provide information about the appeals process. Coverage under the plan may continue, but, unless the eligibility determination is reversed on appeal, the employer will not be eligible for federal tax credits.

*** Please note that completion of the SHOP Employer Paper Application may occur concurrently with plan selection. A SHOP Employer Paper Application does not need to be completed and formal eligibility does not need to have been determined in order for a group to shop with a carrier.**

Step 5: The employer provides information to employees about its SHOP open enrollment.

Step 6: The carrier has the employer and its employees complete a carrier-specific enrollment process.

Step 7: The carrier provides the employer with an exact premium quote.

Step 8: The employer makes the initial premium payment directly to the carrier or third party administrator (TPA).

Step 9: The carrier enrolls employees and dependents, if applicable. **In 2014, the Carrier may not enforce any minimum participation requirements, per CMS FAQ #575.**

Step 10: The carrier notifies the employer and employees of successful enrollment in a QHP (and QDP, if applicable).

Step 11: SHOP-eligible employers or their SHOP-authorized producer make any necessary coverage changes with issuers throughout the plan year.

- ✕ **Life Events:** Employee should alert employer to life event. Employer will determine if employee and/or eligible dependents are eligible for special enrollment period. Employer will work with SHOP-authorized producer and/or carrier, as applicable for that employer, to provide special enrollment period.

Step 12: The carrier submits a monthly “snap shot” membership file to MHC that contains the following data elements:

- ✕ Business Name of qualified employer (eligible for SHOP)
- ✕ Business EIN of qualified employer (eligible for SHOP)
- ✕ Name, DOB, SSN of qualified employees (those on employee roster)
- ✕ Name, DOB, SSN of qualified employees who actually enroll in a QHP or QDP
- ✕ Name, DOB, SSN of dependents who actually enroll in a QHP or QDP
- ✕ Total Premium Amount per enrollee (by employer and employee contribution, if available)
- ✕ Dates enrollees have coverage
- ✕ QHP/QDP Issuer Name
- ✕ QHP/QDP Issuer ID
- ✕ QHP/QDP Plan Name
- ✕ QHP/QDP Plan ID

***The first report from medical carriers will be due on July 15, 2014.**

***Dental carriers offering Stand Alone Dental Plans need only to submit a one-time enrollment report to MHBE. That report will be due by February 15, 2015.**

Step 13: MHBE staff matches the employee enrollment data in the monthly file against the employer’s roster in the application and determines eligibility for each employee. This includes newly added employees due to special enrollment period.

- ✕ If an employee is eligible, they will receive a notice of eligibility from MHBE
- ✕ If an employee is ineligible, MHBE staff will contact the employer regarding the inconsistency. If the employer does not confirm that the employee was inadvertently left off of the roster or the monthly file (new hire or special enrollment), the employee will receive a notice of ineligibility from MHBE and information on how to appeal.

Step 14: In January 2015, MHBE notifies the IRS of businesses and employees enrolled in QHPs and QDPs for tax year 2014.